



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY
Dennis Kennedy, Mayor	Dennis Kennedy, Chair
Mark Grzan, Mayor Pro Tempore	Mark Grzan, Vice-Chair
Larry Carr, Council Member	Larry Carr, Agency Member
Greg Sellers, Council Member	Greg Sellers, Agency Member
Steve Tate, Council Member	Steve Tate, Agency Member

WEDNESDAY, OCTOBER 25, 2006

AGENDA

JOINT MEETING

CITY COUNCIL REGULAR MEETING

and

REDEVELOPMENT AGENCY REGULAR MEETING

7:00 P.M.

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

Domestic Violence Awareness Month
Community Solutions-Perla Flores

PRESENTATIONS

Legislative Update
John Laird

RECOGNITIONS

CITY COUNCIL REPORT

Council Member Mark Grzan

CITY COUNCIL COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

City Treasurer's Quarterly Report
City Treasurer Roorda

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council and Redevelopment Agency Action

ADOPTION OF AGENDA

City Council Action

CONSENT CALENDAR:

ITEMS 1-17 The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
1.	<u>NEW LIBRARY PROJECT – SEPTEMBER CONSTRUCTION PROGRESS REPORT</u> 1 <u>Recommended Action(s):</u> <u>Information</u> only.	
2.	<u>CENTENNIAL RECREATION CENTER PROJECT – SEPTEMBER CONSTRUCTION PROGRESS REPORT</u> 9 <u>Recommended Action(s):</u> <u>Information</u> only.	
3.	<u>SEPTEMBER 2006 FINANCE & INVESTMENT REPORT - CITY</u> 17 <u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> Report.	
4.	<u>SEPTEMBER 19, 2006, PARKS AND RECREATION COMMISSION CONSIDERATION OF DOG PARK FUNDING</u> 43 <u>Recommended Action(s):</u> <u>Receive</u> the Parks and Recreation Commission Recommendation of how the Appropriation of \$20,000 from Unappropriated Park Development Funds for Dog Park Improvements will Impact Other Capital Projects.	
5.	<u>DOG PARK TURF MAINTENANCE AGREEMENT</u> 45 <u>Recommended Action(s):</u> <u>Approve</u> Maintenance Agreement with Gloria Zufall on Behalf of Dog Owners Group (D.O.G.) to Provide for the Monthly Costs of Turf Watering and Mowing; Subject to Review and Approval by the City Attorney.	
6.	<u>APPROVAL OF CHANGE ORDER FOR THE DEPOT STREET UNDERGROUNDING UTILITIES PROJECT</u> 53 <u>Recommended Action(s):</u> 1. <u>Appropriate</u> \$16,575 from Current Year Unappropriated Underground Fund (350) for Change Order #2, for the Completion of the Depot Street Undergrounding Utilities Project; and 2. <u>Authorize</u> City Manager to Execute Change Order #2 in the Amount of \$77,811 for the Depot Street Undergrounding Utilities Project.	
7.	<u>AWARD OF PROFESSIONAL SERVICES CONTRACT FOR UPDATING THE BIKEWAYS MASTER PLAN</u> 59 <u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Execute a Consultant Agreement for Updating the City's 2001 Bikeways Master Plan with Bellinger Foster Steinmetz; Subject to Review and Approval by the City Attorney.	
8.	<u>APPROVE CHANGE ORDERS FOR THE TENNANT AVENUE WIDENING PROJECT</u> 63 <u>Recommended Action(s):</u> 1. <u>Approve</u> Change Order for \$50,000 for Asphalt Pavement Failure Repairs; 2. <u>Approve</u> Change Order for \$36,810 for Installation of Median Landscaping; and 3. <u>Appropriate</u> \$12,074 from the Current Year Un-Appropriated Traffic Impact Fund Balance (309) into the Project Account (#507B99).	

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
9.	<u>MIZUHO, JAPAN SISTER CITY DELEGATES VISIT</u> <u>Recommended Action(s): Information</u> only.	65
10.	<u>MORGAN HILL UNIFIED SCHOOL DISTRICT LEASE RENEWAL OF CITY'S CORPORATION YARD</u> <u>Recommended Action(s):</u> 1. <u>Approve</u> the First Amendment to the Corporation Yard Lease Agreement with the Morgan Hill Unified School District; and 2. <u>Authorize</u> the City Manager to Execute the Lease Agreement Renewal and do Whatever is Necessary to Effectuate the Agreement; Subject to Review and Approval by the City Attorney.	67
11.	<u>ACCEPTANCE OF HISTORIC CONTEXT STATEMENT</u> <u>Recommended Action(s): Accept</u> the Historic Context Statement, with Modifications to be Made as Outlined in the Memo to this Report and as may be Identified and Directed by the City Council.	89
12.	<u>APPROVE SPECIAL CITY COUNCIL MEETING MINUTES OF SEPTEMBER 27, 2006</u> 97	
13.	<u>ADOPT ORDINANCE NO. 1793, NEW SERIES</u> <u>Recommended Action(s): Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1793, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO ESTABLISH A RESIDENTIAL PLANNED DEVELOPMENT ON A 0.44 ACRE SITE LOCATED ON THE SOUTH SIDE OF MYRTLE AVENUE BETWEEN MONTEREY ROAD AND CHURCH STREET (APN 817-01-022) (ZA-06-09: MYRTLE-LATALA).	99
14.	<u>ADOPT ORDINANCE NO. 1794, NEW SERIES</u> <u>Recommended Action(s): Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1794, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING TITLE 18, THE ZONING CODE UNDER CHAPTER 18.12, THE SINGLE FAMILY MEDIUM DENSITY DISTRICT CHAPTER ALLOWING SECONDARY DWELLING UNITS AS A PERMITTED USE AND CHAPTER 18.18, THE RPD RESIDENTIAL PLANNED DEVELOPMENT DISTRICT CHAPTER TO INCREASE THE MAXIMUM DENSITY BONUS FROM 25 PERCENT TO 35 PERCENT TO COMPLY WITH THE CALIFORNIA GOVERNMENT CODE (APPLICATION ZA-06-13).	107
15.	<u>ADOPT ORDINANCE NO. 1795, NEW SERIES</u> <u>Recommended Action(s): Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1795, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO ESTABLISH AN R-1 7,000/RESIDENTIAL PLANNED DEVELOPMENT ON A 13.5 ACRE SITE LOCATED BETWEEN SAN PEDRO AVENUE AND BARRETT AVENUE, IMMEDIATELY WEST OF SAN RAMON DRIVE (APNS 817-59-060 & 817-57-001) (ZA-05-15: BARRETT – SYNCON HOMES).	113

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	Consent Calendar: 1 - 10 Minutes	
16.	<u>ADOPT ORDINANCE NO. 1796, NEW SERIES</u>	119
	<u>Recommended Action(s):</u> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1796, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING DEVELOPMENT AGREEMENT APPLICATION DA-05-10 COVERING 32 ALLOCATIONS AWARDED TO APPLICATION MP 04-21: BARRETT-SYNCON HOMES (APNS 817-59-060 & 817-57-001) (DA-05-10: BARRETT – SYNCON HOMES).	
17.	<u>ADOPT ORDINANCE NO. 1797, NEW SERIES</u>	123
	<u>Recommended Action(s):</u> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1797, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A DEVELOPMENT AGREEMENT FOR APPLICATION MMC-04-07: GINGER– CUSTOM ONE (APNS 726-36-056 & -057) / (DA-05-06: GINGER – CUSTOM ONE).	

Redevelopment Agency Action

CONSENT CALENDAR:

ITEM 18

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
18.	<u>SEPTEMBER 2006 FINANCE & INVESTMENT REPORT - RDA</u>	127
	<u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> Report.	

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 19-23

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
19.	<u>THIRD STREET PROMENADE CAPITAL PROJECT GRANT ACCEPTANCE</u>	137
	<u>Recommended Action(s):</u> <u>Adopt</u> Resolution Accepting the Metropolitan Transportation Commission's Transportation for Livable Communities Capital Grant for the Third Street Promenade Capital Project.	
20.	<u>FISCAL YEAR 2005-2006 YEAR-END BUDGET AMENDMENTS</u>	143
	<u>Recommended Action(s):</u> <u>Increase</u> Fiscal Year 2005-2006 Budget Appropriations as Shown in Exhibit A.	
21.	<u>APPROVE JOINT REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY, AND SPECIAL MORGAN HILL FINANCING AUTHORITY COMMISSION MEETING MINUTES OF SEPTEMBER 20, 2006</u>	147
22.	<u>APPROVE REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES OF SEPTEMBER 27, 2006</u>	175

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	

23.	<u>APPROVE JOINT SPECIAL & REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES OF OCTOBER 4, 2006</u>	193
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City Council Action

PUBLIC HEARINGS:

	Time Estimate	Page
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24.	5 Minutes	<u>DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-05: CENTRAL-DELCO</u>	219
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
		Council Discussion.	
		Action- <u>Motion to Waive</u> the Reading in Full of Development Agreement Amendment Ordinance.	
		Action- <u>Motion to Introduce</u> Ordinance by Title Only. (Roll Call Vote)	

City Council Action

OTHER BUSINESS:

	Time Estimate	Page
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25.	10 Minutes	<u>LIBRARY OPERATING LEASE</u>	231
		<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Enter into a Lease with the Santa Clara County Library Joint Powers Authority for the Operations and Maintenance of the New Library Building; Subject to Review and Approval by the City Attorney.	
26.	15 Minutes	<u>MUNICIPAL SWIM TEAM EVALUATION PROCESS FISCAL/RESOURCE IMPACT</u>	249
		<u>Recommended Action(s):</u>	
		1. <u>Discuss</u> City Council's Goals and Priorities for Evaluating a Municipal Swim Team in Relation to Existing Projects.	
27.	10 Minutes	<u>MEASURE A</u>	255
		<u>Recommended Action(s):</u> <u>Consider</u> Mayor Pro Tempore Grzan's Request that Council Adopt a Position on Santa Clara County Measure A – The "Conservation of Hillsides, Ranchlands and Agriculture" Initiative.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.